

19 May 2023

Stephen Dunshea
Chief Executive Officer
Shoalhaven City Council
PO Box 42
NOWRA NSW 2541
Submitted via website portal

UDIA response to draft *Guideline for Proponent Initiated Planning Proposal*

Dear Stephen,

The Urban Development Institute of Australia (UDIA) NSW is the state's leading industry body representing the interests of the urban development sector. We bring an evidence-based, solutions-focused approach to our advocacy for the creation of liveable, affordable, and connected smart cities. We have over 450 member companies across the spectrum of the industry. UDIA has an active Shoalhaven Committee, and we are proud to count Shoalhaven City Council (Council) as a valued member of our organisation and the committee.

Thank you for the opportunity to provide input into Council's draft/interim *Guideline for Proponent Initiated Planning Proposals* (draft local Guideline). UDIA represents the majority of proponents who will engage with the Guideline.

We understand that the draft Guideline seeks to implement the *Local Environmental Plan Making Guideline* (DPE Guideline) by the NSW Department of Planning and Environment (DPE) that went into effect in September 2022.

Notwithstanding some fundamental concerns UDIA has with the DPE Guideline, we nonetheless commend Council for producing this draft local Guideline, which clearly articulates the process for application in the Shoalhaven local government area. We appreciate that the draft Guideline is a clear and easily understood document outlining the process, including the roles and responsibilities of the parties involved and defining the expectations on proponents.

We offer the following recommendations as Council implements its Guideline:

- 1. Ensure the fees and terms referenced in Tables 1 and 2 directly correlate to those in Council's updated Fees and Charges document. We noticed some anomalies which might create confusion.**
- 2. Remove the reference to "Principal" Planning Proposals in Table 3 to avoid confusion, since the Guideline does not deal with Principal PPs.**
- 3. Outline the review options available to proponents in Section 6, to provide additional clarity at the relevant step in the process.**
- 4. The regulated fee structure is supported but proponent fees overall should be reduced having regard to the increased role of proponents.**
- 5. Where possible, consider the use of conditions to finalise studies later, where results would not materially change the intended development outcome. This would assist proponents to manage project cashflow.**

6. **Rely on completed (e.g, PP) studies wherever possible through the ensuing planning process, to avoid unnecessary duplication of time and costs, and increase outcome certainty.**

Comments Related to DPE Guideline

DPE has defined the process, and we acknowledge Council has virtually no discretion to deviate from the DPE Guideline. However, for transparency and background, we explain UDIA's concerns with the DPE Guideline and recommend practical implementation approaches for the draft local guideline.

Overall, we appreciate the intention to streamline and shorten PP timeframes. DPE's benchmark timeframes for PP stages are welcomed.

However, the new approach does not acknowledge or measure the time spent by proponents before and in between each stage, in seeking agency feedback and preparing an increasingly lengthy and complex set of required studies and reports.

Our members experience chronic delays in receiving necessary feedback from agencies. Unfortunately, there is no mechanism to compel timely agency engagement with the proponent in Stage 1 and Stage 2 of the process. Given our members' experience with slow agency responses, the Department's end-to-end maximum benchmark timeframe of 420 days for a Complex PP (for example) is wholly unrealistic.

In general, we are concerned the planning process is being increasingly front loaded, requiring higher up-front costs through studies and reports at an earlier point, when uncertainty and investment risk is also much higher.

For efficiency of time and cost impacting supply and affordability, where possible we encourage:

- the use of conditions to finalise studies later, where results would not materially change the intended development outcome; and
- the reliance on PP studies as the planning process proceeds, i.e., duplication of studies should not be imposed at the development application (DA) stage.

In attempting to simplify and streamline the process, the DPE Guideline effectively requires a higher degree of case management from proponents and this comes with an increased burden on proponent resources and costs. As such, the regulated fee structure is supported but UDIA encourages Council to reduce proponent fees overall, having regard to the increased role of proponents.

Conclusion

UDIA appreciates this opportunity to offer our input to the draft *Guideline for Proponent Initiated Planning Proposal*. To arrange follow-up engagement or if you have any questions about our submission, please contact Elizabeth York at eyork@udiansw.com.au or 0434 914 901.

Kind Regards,



Steve Mann
Chief Executive
UDIA NSW



Matt Philpott
Chair
UDIA NSW Shoalhaven Committee